

AMENDMENTS TO THE SPECIFICATION:

Applicants respectfully present the following amendments to the specification.

Please replace the subtitle "Disclosure of Invention" on line 24 of page 2 as

follows:

--Summary of the Invention--

Please replace the subtitle "Best Mode for Carrying out the Invention" on

line 25 of page 5 as follows:

--Detailed Description of the Invention--

Please amend the paragraph beginning on line 7 of page 15 as follows:

**(8) When the correlation value relating to the second principal component is
more than the predetermined threshold, the bill to be examined is judged to be a false
bill (step 18) (step 15).**

Please amend the paragraph beginning on line 4 of page 19 as follows:

**(2) An equation of straight line Z_1 corresponding to a first principal component
and an equation of straight line Z_2 corresponding to a second principal component are
found from the data obtained with respect to all the true bills by a principal component
analyzing method (step 2) (step 24).**

Please amend the paragraph beginning on line 14 of page 18 as follows:

**(1) A plurality of true bills are previously prepared. With respect to each of the
true bills, a detected value y_1 by the first light transmission sensor 21 and a detected
value y_2 by the second light transmission sensor 22 are accepted for each of a plurality
of positions where characteristic amounts are read on a line L (step 21) (step 23).**

Please amend the paragraph beginning on line 19 of page 20 as follows:

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(3) Data representing the first principal component score for each of the positions on the line L and data representing the second principal component score for each of the positions on the line L are then produced for each of the true bills (step 23) (step 25). A method for producing the data is the same method as that at the step 3 shown in Fig. 2 in the first embodiment and hence, the description thereof is not repeated.

Please amend the paragraph beginning on line 3 of page 21 as follows:

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(4) An average of the first principal component scores with respect to all the true bills is found for each of the positions on the line L, thereby producing data representing the average of the first principal component scores for the position on the line L (step 24) (step 26). Consequently, reference data relating to the first principal component is produced.

Please amend the paragraph beginning on line 11 of page 21 as follows:

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(5) Furthermore, an average of the second principal component scores with respect to all the true bills is found for each of the positions on the line L, thereby producing data representing the average of the second principal component scores for the position on the line L (step 25) (step 27). Consequently, reference data relating to the second principal component is produced.